



## Staff Report

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**TO:** Mayor and City Council

**THROUGH:** Steve Powers, City Manager

**FROM:** Peter Fernandez, PE, Public Works Director

### **SUBJECT:**

Update on Salem Climate Action Plan.

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Service Area(s): Welcome and Livable Neighborhood; Strong and Diverse Economy; Safe and Reliable Infrastructure; Good Governance; Natural Environment Stewardship

### **SUMMARY:**

There are two aims of the Climate Action Plan (CAP): deliver strategies for reducing GHG emissions (mitigation) and deliver strategies that help build a resilient community in anticipation of climate changes (adaptation). Mitigation strategies focus primarily on reducing the use of fossil fuel for transportation and energy because those are Salem's main sources of GHG emissions. Adaptation strategies focus on increasing climate resilience by ensuring equity, strengthening local community resources, and building partnerships. The CAP will serve as a guide for further actions over many years, actions that may include Council-directed implementation of new initiatives, programs, plans, partnerships, regulations, and projects.

### **ISSUE:**

Update on the Salem Climate Action Plan.

### **RECOMMENDATION:**

Information only.

### **FACTS AND FINDINGS:**

The full draft CAP is available at:

<https://www.cityofsalem.net/CityDocuments/salem-climate-action-plan-revised-draft-2021-11.pdf>.

The full set of strategies can be found in Appendix 8 of the plan.

On October 12, 2020, City Council adopted two goals for Greenhouse Gas (GHG) emissions in Salem: (1) By 2035, Salem's GHG emissions shall be reduced to 50 percent of the citywide greenhouse gas emissions for the baseline year of 2016, and (2) By 2050, Salem should be carbon neutral. For 18 months, City staff have been working with a consulting firm, a 33-member task force, and multiple stakeholders to produce a Climate Action Plan (CAP) for Salem with the strategies necessary to reduce GHG emissions and to achieve the two Council-adopted goals. The CAP provides measures for creating a resilient community and for addressing issues related to equity and inclusion.

Development of the CAP has included public outreach, public and community meetings, six task force workshops, and a Council work session. The CAP task force provided broad representation from a variety of agencies, businesses, non-profits, and utilities, and its membership included young adults, seniors, the Latinx community, representatives of environmental advocacy groups, and three City Councilors, among others. Attachment 1 is a roster of the CAP task force members. Over the course of the months-long CAP planning process, information was shared and input sought from both the task force members and the general public through activities centered on visioning, vulnerability, strategy development, and implementation planning.

Several of the strategies contained in the CAP, if implemented, will have a significant impact on various sectors of the Salem community. For this reason, the public comment period on the draft document is being extended. The final draft CAP will come to Council for consideration after the beginning of 2022.

## **Strategies**

Over 180 strategies are provided in the draft CAP. Many of these strategies are designed based on Council's adopted greenhouse gas reduction goals. Other strategies, if implemented, will increase Salem's ability to recover from disasters and emergency events and increase equity and resilience across all sectors of the community. The strategies are grouped into seven categories: transportation/land use; energy; economic development; natural resources; community; food; and materials and waste. Each strategy has been assessed for GHG reduction potential, rough costs to the City to initiate the strategy, lead agency, co-benefits of the strategy (i.e., public health, community equity, environmental quality, and local economy), and a suggested timeframe for initiation of the action. Many of the strategies overlap and build on each other. Several strategies are dependent on working in partnership with other parties, such as Cherriots, the Energy Trust of Oregon, Oregon State Legislature, and the energy utilities.

The strategies identified in the CAP are non-regulatory and non-binding on the City or other parties. Approval of the CAP by Council will not directly result in funding, staffing, or specific implementation of any of the strategies. Further, the wording used to describe the strategies, which grammatically vary from the imperative to the suggestive, should not be taken to mean that authority to implement them has been granted or an outcome has been predetermined. Rather, the CAP and its various recommendations serve as a blueprint for further actions and a source of information for the Council

for any actions under consideration. Additionally, local, state, and federal regulatory or statutory requirements may exist that will impact the degree to which some strategies can be implemented

### **Greenhouse Gas Emission Forecasts**

An important component in developing the CAP was to conduct GHG forecast modeling using data and information based on current trends, projected reductions in GHG from PGE and NW Natural, predicted increases in Salem's population, and other factors. These modeled forecasts were useful in showing the degree to which Salem could meet Council's 2035 and 2050 goals. Based on these models, significant actions must be undertaken if Council's goals are to be met. These actions are aimed at increasing the use of public transit, increasing biking and walking, decreasing vehicle miles traveled by internal combustion engine vehicles, decreasing the use of natural gas, increasing solar power generation, increasing electric vehicle use, increasing energy efficiency in buildings, and capturing methane from wastewater treatment processes.

The State of Oregon recently adopted a variety of new rules and is working on developing others designed to reduce GHG emissions and build equitable communities. Additionally, both the electric and natural gas utilities face new requirements for decarbonizing and providing clean energy. The CAP references these state actions under related strategies and incorporates them into the GHG forecast models to the extent that data are available. The GHG modeling follows the Local Governments for Sustainability US Community Protocol and the GHG Protocol for Cities for GHG inventories.

### **Work of the Task Force, Outreach, and Public Engagement**

The task force conducted six workshops that focused on setting a vision, climate change vulnerabilities, GHG forecast modeling, strategy development, strategy priorities, and implementation planning. All task force meetings were live-streamed to the City's YouTube channel and were also recorded. All recordings and materials from the meetings are posted on the project's website.

Members of the public have been provided opportunities to be engaged and informed throughout the process via online activities, public presentations, community events, radio interviews, public service announcements, and social media posts. Information was provided in both English and Spanish. A full list of outreach activities is provided in Attachment 2 and public comments received as of November 17, 2021 are provided in Attachments 3 and 4.

### **Reducing Natural Gas to Achieve the City's GHG Reduction Goals.**

Based on interactions among members of the task force and on public feedback received to date, one of the more contentious strategies in the draft Salem CAP is the recommendation to shift homes and businesses to all-electric heating/cooling systems and appliances. Options for implementing this strategy range from providing education on the subject to creating incentives to convert to electricity to enacting an outright ban on new natural gas hookups. Regulations banning or restricting new natural gas hookups have been implemented in dozens of US cities. Conversely, nineteen states have passed laws restricting the ability of cities to ban gas hookups. Banning new natural gas hookups in Salem would be a significant and controversial action by City Council.

When implemented, the Salem Climate Action Plan, combined with new and forthcoming statewide

legislation, will go a long way toward reducing GHG emissions in Salem. Additionally, changes in technology will take place over the next 30 years that are difficult to predict and model. However, based on what is known now, Salem will not be able to meet the Council-set goal of net zero emissions by 2050 without essentially eliminating all fossil fuels, which includes natural gas, unless emissions are offset or another similar approach is taken. As a best practice, fossil fuel emissions should always be reduced or eliminated rather than offset. Alternative fuels such as renewable natural gas and hydrogen, while not viable today as replacements for fossil fuels, could help to meet Salem's goals over the next 30 years.

### **Next Steps**

Some strategies are already underway and there are others that can be implemented without further Council direction. Most strategies, however, will require Council approval, which may be in the form of additional budgetary authority, new regulations, intergovernmental agreements, or revisions to Council priorities. Due to the long timeframe covered by the CAP (30+ years) and the number of strategies included for consideration, implementation priorities are recommended. These include strategies that:

- Have high potential for GHG reduction;
- The City is the lead agency;
- The cost to the City is considered low;
- There are community equity co-benefits; and
- The initiation of the strategy could occur in the next two years.

In addition to those strategies, other strategies are recommended as priorities if they:

- Demonstrate leadership by example by the City;
- Establish CAP governance;
- Enhance equity;
- Are in-process or ongoing actions;
- Are already planned for initiating within two years; or
- Will be required by current or pending State rules and requirements.

Implementation of the CAP strategies will depend upon staffing and budgetary constraints as well as direction from Council and participation by key partners. Many actions will require additional analysis and outreach before implementation.

The tables presented in Attachment 5 summarize the groups of strategies that have been recommended for early implementation. The strategies and the tables are not presented in order of priority. Strategies are listed in order of action categories and code numbers. Action categories are: Transportation/Land Use (TL), Energy (EN), Economic Development (EC), Natural Resources (NR), Community (CM), Food (FD), and Materials and Waste (MW).

### **BACKGROUND:**

Salem is vulnerable to climate change impacts that include increased frequency and severity of flooding and drought; increased number of excessive heat days (days with temperatures over 90 degrees Fahrenheit); and increased frequency and impacts from wildfires. These impacts can disrupt transportation, agricultural production, and food supplies, and can adversely impact public health. Frontline communities, those that can experience the worst effects of climate change, include the BIPOC (Black, Indigenous, and People of Color) community, elders, children, people living in poverty, and people who work or live outdoors. These frontline communities are impacted disproportionately by the adverse effects of climate change. It is therefore essential that all climate action plan strategies are implemented equitably across the community so as not to result in displacement, cause gentrification, or create financial burdens on those least able to afford the transition.

Verdis Group, a consulting firm specializing in climate action planning, was hired in July 2020 to assist City staff in developing the CAP. The CAP planning process included four pillars of engagement: vision, vulnerability, strategies, and implementation. Each pillar included a task force workshop as well as an online activity for public input.

As part of the planning process, a detailed, triple bottom line (social, environmental, financial) benefit/cost analysis was undertaken for ten strategies for which the City is the lead implementation agency and that have high GHG reduction impacts. These ten strategies were selected by the three councilors serving on the task force. The analysis showed that three of the 10 strategies had a positive benefit to cost ratio. These strategies were: (1) increasing parking fees, (2) improving building weatherization, and (3) expanding the urban tree canopy. (See Appendix 6 in the CAP Report for the full Benefit Cost Analysis.)

Work on the CAP has been closely coordinated with the *Our Salem* Comprehensive Plan update. Both plans will influence development and transportation patterns in the City and both, therefore, can influence GHG emissions.

The CAP establishes a variety of strategies that both the City and members of the Salem community can undertake to meet the Council-set goals of reducing GHG emissions and to build a resilient community in the face of climate changes. Implementing Salem's CAP has a long timeframe that extends into the 2050s; therefore, it will be essential to begin working soon towards the goals and to actively monitor progress over time.

The CAP, if approved by Council, will need to be updated and amended periodically to report on progress, address emerging technologies, and identify changes in state and federal regulations and programs. Priorities for implementation may shift over time and it is recommended that the CAP be updated at least every five years to stay current and to maintain progress.

Reducing GHG emissions will require many actions by the City, businesses, nonprofits, partner organizations, and residents. Reaching the 2035 and 2050 Council-set goals will require significant and critical changes in regulations, policies, practices, and behavior.

Robert D. Chandler, PhD, PE

Assistant Public Works Director

Attachments:

1. Salem Climate Action Plan Task Force Roster
2. Outreach Summary
3. Public Comments (Part 1)
4. Public Comments (Part 2)
5. Recommended Priority Strategies for Early Implementation